

Resources for Washington businesses

Gain important insights about SharedWork and tax and wage requirements for a competitive workforce advantage!



Tuesday, January 11, 2022

10:00 AM - 11:00 AM

SharedWork & Tax and Wage



Welcome

BUSINESSES, EMPLOYEES
FAMILIES & COMMUNITIES

WIN

with

SharedWork

SharedWorkWA.com



Employment
Security
Department
WASHINGTON STATE





For Employers

- Scale labor force week-by-week.
- Improve workplace morale and employee loyalty.
- Avoid high costs associated with employee turnover.
- Retrain and retain skilled workforce.



For Employees

- Job stability.
- Collect benefits without having to search for work.
- Continue receiving health insurance, retirement contributions and other benefits.

SharedWork Benefits

Enroll today
SharedWorkWA.com

Employer Line: 800-752-2500 option 3
Email: sharedworkplansect@esd.wa.gov



For Families



“The certainty of being able to work some portion of hours and maintain health insurance and other benefits has saved lives, families, helped prevent unfortunate mental health outcomes, reduced strain on kids, has provided a peace of mind in the most tense and uncertain year in recent memory.”

Michele Evermore, Senior Policy Advisor
U.S. Department of Labor



For Communities

Scenario: Ryna brings employees back with 25% payroll reduction



Ryna's remodeling company temporarily closed because of COVID-19. Prior to closing, she employed 20 individuals for a standard workweek of 40 hours. In April 2021, they partially reopen by bringing back all 20 individuals at a reduced workweek of 30 hours.

In lieu of layoffs. Ryna has enough work (600 hours) for 15 full-time employees. The employer is able to avert the continued layoff of 5 full-time employees by bringing back all 20 employees for a reduced workweek.

Reduced workweek. The employer reduced the workweek from 40 hours to 30 hours, which is a reduction of 25 percent and permissible under federal law, actually anywhere from 10-50% is acceptable reduction each week with SharedWork.

Summary. The 20 returning employees would each receive 75 percent of their wages from their employer, while also remaining eligible for 25 percent of their respective weekly benefit amounts under SharedWork



Bringing employees back on SharedWork



	Unemployment only, no work		Work without SharedWork		SharedWork plan with 25% reduction		SharedWork plan for part- time
Average weekly earnings	\$800 \$20 x 40 hrs		\$800 \$20 x 40 hrs		\$800 \$20 x 40 hrs		\$576 \$18 x 32 hrs
Usual hours worked	0		40		40		32
SharedWork hours	0		0		30		24
Weekly Benefit	\$481		\$0		\$120		\$101
Weekly Wage	0		\$800		\$600		\$432
Total	\$481		\$800		\$720		\$533



How It Works



1

The employer calls 800 752-2500 option 3 to check business eligibility.



2

The employer assigns a **SharedWork representative** and submits an **Employer Plan Application** and a **Participant List**.



3

Once the employer plan is approved, each participant submits an **Employee Application**.



4

The employee files weekly claim by **eServices** or **telephone**, whether their hours are reduced or not.



5

The employee receives **earned wages** and share of **unemployment insurance benefits**.



SecureAccess
WASHINGTON

Sign in to eServices with a Secure Access Washington (SAW) account. If you established a SAW account for WorkSourceWA.com or another state service, you can use that same user name and password.

SharedWork Requirements



Employer Requirements for SharedWork:

1. Must be a legally registered business in Washington state.
2. Must have an ESD (Employment Security) number.
3. Must have at least two permanent employees, who are not corporate officers, affected by a reduction in hours and wages.
4. Continue to provide same benefits to employees.

Employee Requirements for SharedWork:

1. Employee must qualify for a valid claim. (680 hours)
2. All permanent employees may participate in SharedWork.
3. Be able and available for all scheduled hours by SharedWork employer.

Winning with SharedWork



"Client care has ebbed and flowed based on the pandemic, and Shared Work has given us the flexibility to take care of our staff, while saving payroll when there isn't enough work – (as a non-profit, this is especially important!)"

Michael LaTour, Associate Director



"I think SharedWork is a great signal to your people:- come back to work, get back to work, and here, sign up for SharedWork! It could be a great tool in building up your team and moving forward as you try to figure out the next few years of being short [on] workers, and how to retain the great ones you have."

Anthony Anton, President and CEO



"Our employees are thankful we used it, and happy they do not have to draw full unemployment. There are so many advantages to SharedWork. We do not know what the future will bring. Get approved for SharedWork!"

SPOKANE GALVANIZING

"To keep our morale up, wanting to do what felt like the right thing for our employees ... was not just to pick five or ten of our newest employees and let them go because of the pandemic ... and so SharedWork saved us!"

Erica Baldrige, Director of Human Resources



Contact SharedWork



Employers can verify their eligibility in minutes and get answers by calling 800-752-2500 and choosing Option 3.

800-752-2500

8am to 4pm, Monday through Friday

Option 1 – Claims

Option 2 – Existing Plans

Option 3 – New Plan Inquiry

Option 4 – I was asked to call

sharedworkplansect@esd.wa.gov

More ways to learn about SharedWork

- 1) **Watch a commercial:** <https://youtu.be/apAufybRrrY>
- 2) **Attend a virtual event** The SharedWork program will be hosting many regional and statewide webinars for employers in Washington. esd.wa.gov/SharedWork/events
- 3) **Weekly Q&A webinar** The SharedWork program will be hosting weekly webinars through the year end to help businesses get informed.

Weekly Wednesday 8:15 am - 9am

SharedWork Q&A sessions for businesses

[Click here to register for the webinar on any Wednesday](#)



Tax & Wage

One call resolution for all
customers who need assistance



Tax & Wage

KEY COMPONENTS OF TAX & WAGE



- Report filing and payments
- Tax rate calculation
- Relief of benefit charges
- Wage and hour adjustments (amendments)
- Waivers of penalties & interest
- Audit and investigation program
- Refunds

Overview of UI Tax



- Reports & payments are due quarterly. Late payments & reports are assessed penalties & interest and could affect your annual tax rates.
- To report & pay go to www.esd.wa.gov.
- The tax due is calculated by multiplying the taxable wages by the tax rate.
Wage base 2020 = \$52,700, 2021 = \$56,500, 2022 = \$62,500
- Amendments: corrections to reports. Employers have three years to amend. Amendments may impact you tax rate.
- Waivers: Employer may be granted a waiver of penalties & interest.
- Tax Rates: Delinquent rates will be assessed if late penalties & interest.

Example of 2022



- The tax due is calculated by multiplying the taxable wages by the tax rate.
Wage base 2022 = \$62,500
- **Example for 2022**
 - If the employee's salary = \$62,000, pay taxes on \$62,000.
 - If the employee's salary = \$63,000, pay taxes on \$62,500 of their wages.

The amount over the taxable wage base of \$62,500 (\$500 in the example) is considered excess wages. Excess wages are reported (for unemployment-insurance benefits purposes), but are subtracted from the employee's total wages, so they do not pay taxes on the amount above the taxable wage base (\$62,500 in 2022).

Common questions



- What is my billing statement for?
 - This is a balance due on your tax account.
- How do I file & pay my quarterly taxes?
 - Thru Secure Access WA & EAMS www.esd.wa.gov
- How do I update my address, close my account or update owner/officers?
 - Fill out business change form 5208C-1 or owner/officer change form: <https://esd.wa.gov/employer-taxes/forms-and-publications>
- I entered the wrong SSN, name or hours and wage information and I need to correct my quarterly filing. How do I fix it?
 - File an amendment thru EAMS www.esd.wa.gov or submit a paper Amended tax & wage report(5208D) form: <https://esd.wa.gov/employer-taxes/forms-and-publications>. Email UFILES@ESD.WA.GOV, mail to UI Tax & Wage PO BOX 9046 Olympia, WA 98507-9046 or fax 800 794 7657
- I received a Benefit Charge Notice. What is this?
 - This is advising employers a former employee is claiming UI and their tax account is being charged. To request relief of benefit charges email UFILES@ESD.WA.GOV, mail to UI Tax & Wage PO BOX 9046 Olympia, WA 98507-9046 or fax 800 301 01796 within 30 days.

Tax & Wage

Basic overview of the UI Tax Experience Rates



TAX RATES

- Tax Rates are made up of three components: UI tax rate, Social cost & the EAF (Employment Administrative Fund). For 2022, Social cost is capped at .75%
- Rates are based on your experience. Benefit charges and taxable wages reported in a four-year window. 40 rate classes.
- Tax Rate Notices are calculated and mailed in December every year.
- Request review of tax rates email UIFILES@ESD.WA.GOV .

Tax & Wage

Basic overview of the UI Tax Experience Rates



BENEFIT CHARGES

- Benefit Charging Notice: Notifies you that you could be charged & states details of claims.
- Quarterly statement of benefit charges.
- Request relief of charges email UFILES@ESD.WA.GOV. Reasons for granting relief of Benefit Charges:
 - Voluntary quit
 - Discharged for misconduct
 - Catastrophe
 - Employee continues to work on regular, perm part time basis, separated from another base year employer.
 - Employee continues to work for same employer on part time basis & eligible for relief on prior claim & qualifies for two consecutive claims.
 - Employee was laid off after being hired to replace activated military reserve or guard member when military person is deactivated and returns to employment.
 - Employee was laid after being hired to replace an employee out on Paid Family Medical Leave and returns to employment.
 - Employee was discharged because the individual was unable to satisfy a job prerequisite required by law or administrative rule.

New for 2022 Laws and Rules



In 2021, two pieces of legislation that offer tax relief to employers were signed into law. They affect your 2022 tax rate by:

- Reducing the amount a tax rate could have increased — for some employers.
- Capping the 2022 flat social tax at 0.75%.
- Suspending the solvency tax for another year.
- Providing over \$1.2 billion in relief of benefit charges to all employers for benefits paid to employees from March 22 through May 30, 2020, during the “Stay Home, Stay Healthy” order.
- Providing \$500 million in additional relief to employers expected to experience the biggest tax increase due to COVID-related claims.

New resources and info on [ESD.WA.GOV](https://www.esd.wa.gov)

Visit:

- [Employer taxes of 2022](#) to find more info about how relief is impacting UI tax rates in 2022.
- [Determining your tax rates](#) to find an updated 2022 tax rate table, tax calculator and more.



Call Tax and Wage

855-829-9243

Email Tax and Wage

Olympiaamc@esd.wa.gov

Jenna Black:

Jenna.Black@esd.wa.gov

Meredith Cole:

Meredith.Cole@esd.wa.gov

Tax & Wage

www.esd.wa.gov





Open Mic – Q&A



Contacts



SharedWork – 800-752-2500 choose option 3

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Rebecca Martin: rmartin@federalwaychamber.com

Rachel Porter: rporter@federalwaychamber.com

Resources for Washington businesses

Gain important insights about the SharedWork program and WA Cares (long-term services and supports) for a competitive workforce advantage!



Tuesday, February 15, 2022

1:30 PM - 2:30 PM

SharedWork and WA Cares (long-term services and supports)



Next webinar



Thank you!

